

**LEGISLATIVE SERVICES AGENCY
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FISCAL IMPACT STATEMENT

LS 7246

BILL NUMBER: HB 1693

NOTE PREPARED: Jan 12, 2007

BILL AMENDED:

SUBJECT: Motor Carriers.

FIRST AUTHOR: Rep. Cochran

FIRST SPONSOR:

BILL STATUS: As Introduced

FUNDS AFFECTED: **GENERAL**
 X DEDICATED
 FEDERAL

IMPACT: State & Local

Summary of Legislation: This bill: (1) provides certain deadlines for the renewal of motor carrier registrations under the International Registration Plan (IRP); (2) provides penalties for a motor carrier that fails to timely register under the IRP; (3) removes an annual renewal fee of \$2 for the registration of semitrailers; (4) makes various changes to conform with the Unified Carrier Registration System; (5) requires that a license plate must be displayed on the front of a dump truck; and (6) repeals obsolete provisions concerning interstate express companies.

Effective Date: January 1, 2007 (retroactive); July 1, 2007.

Explanation of State Expenditures:

Explanation of State Revenues: (1 and 2) Providing certain deadlines for IRP renewals could result in additional revenue via the penalties for failure to timely register. In CY 2000, revenue from these penalties amounted to about \$440,000. These penalties were previously contained in a regulation that was sunset. The fund affected is the Motor Vehicle Highway Account (MVHA) into which IRP revenues are deposited.

(3) Removing the annual renewal fee of \$2 for the registration of semitrailers will mean an annual revenue loss of approximately \$302,000.

In CY 2006, there were approximately 151,000 semitrailers registered. Of the \$2 fee, the MVHA receives \$0.75 and the state License Branch Fund (LBF) receives \$1.25. The MVHA would lose about \$189,000, while the LBF would lose approximately \$113,000.

(4) The State Department of Revenue reports that making various changes to conform with the Unified

Carrier Registration System could mean additional revenue accruing to the state, the amount of which is not determinable at this time because the rates and fees have yet to be established for the program. The fund affected is the Motor Carrier Regulation Fund, which supports the operation of the Motor Carrier Services Division of the State Department of Revenue.

Fund	Uses
Motor Vehicle Highway Account	Construction, reconstruction, and maintenance, along with supporting the BMV, the State Police, the Dept. of Transportation, and the State Department of Revenue
State License Branch Fund (BMV Commission)	Supports the operation of the license branches throughout the state.
Motor Carrier Regulation Fund	Funds the administration and enforcement of IC 8-2.1-23-1; IC 6-6-4.1 (Motor Carrier Fuel Tax); and IC 6-8.1-4-4 (Establishment of a regulation center to service owners of commercial vehicles under the supervision of the Motor Carrier Services Division).

Explanation of Local Expenditures:

Explanation of Local Revenues:

State Agencies Affected: State Department of Revenue, Department of Transportation, Bureau of Motor Vehicles, and State Police, all as recipients of MVHA distributions.

Local Agencies Affected: Recipients of MVHA distributions.

Information Sources: Tom Conley, Administrator, Tax Policy Division, State Department of Revenue, 317-232-2107; Linda Risley, Deputy Administrator, Motor Carrier Services Division, State Department of Revenue, 317-615-7205; Bureau of Motor Vehicles data.

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